



California Public Utilities Commission

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News Release

FOR IMMEDIATE RELEASE

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PUC TO FILE APPEAL OF FERC ORDER ON LONG-TERM CONTRACTS

SAN FRANCISCO, November 13, 2003 -- The California Public Utilities Commission (PUC) today voted to file an appeal of this week's Federal Energy Regulatory Commission (FERC) orders denying the PUC's complaint on long-term contracts entered into between the California Department of Water Resources (DWR) and various sellers.

FERC's denial of rehearing on Monday left in place long-term contracts entered into between the DWR and various sellers, including Mirant American Energy Marketing, LP; Coral Power, L.L.C.; Dynegy Power Marketing, Inc.; Sempra Energy Resources; and PacifiCorp Power Marketing.

As PUC President Michael R. Peevey said in a statement yesterday, "These contracts were negotiated during a dysfunctional spot market and reflect in my opinion above market prices. The PUC submitted ample evidence to FERC, which would support reductions in contract payments or refunds from generators worth billions of dollars to California consumers. Yet FERC again has denied our complaint, leaving in place many years of "unjust and unreasonable" contract payments by Californians to generators that have manipulated the California energy market."

For more information on the PUC, please visit www.cpuc.ca.gov.

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